

Fair Trade: AP Human Geography Crash Course

Are you freaking out over what to study for the AP Human Geography exam? Study fair trade!

Fair trade is one of many key concepts that the CollegeBoard plans to test you on. The CollegeBoard promises to give you 13-17% of the multiple-choice questions on Agriculture, Food Production and Rural Land Use. We know what you're thinking. What does any of this have to do with fair trade? Fair trade is one of the words listed under this category on the CollegeBoard's course description for AP Human Geography. Of course, you can't talk about fair trade without talking about its opposite—international trade.

Why should you care more about fair trade than the tons of other words you could be tested on? Because fair trade isn't just something your [AP Human Geography](#) teacher and the CollegeBoard thinks is important. It is important to any local or small business in the world today. Fair trade is actually a big deal!

What is Fair Trade?

Fair trade is one way of doing business. Specifically, it's the opposite business approach to international or industrial trade. Understanding both of these ideas is vital because big concepts like these are not just considered for possible multiple-choice questions. They could be on a FRQ ([free response question](#)) too.

Fair trade emphasizes trying to help small or local businesses. International trade is more about finding the assets the entire country has that can be traded with other countries for profit. This kind of trade is more about competition among businesses than about protecting workers of local businesses, which is what fair trade wants to do.

Fair trade is a concept used in developing countries to help create sustainability. Producers, farmers, and craftspeople are paid fair prices for their products, and workers get fair wages. These businesses are not just run on a local level, but they are run in a democratic way. Are you starting to see why it's called fair trade?

Fair trade also requires employers to allow for union organizing, which helps the workers fight back when things aren't so fair. Employers also have to meet the minimum standards for preventing hazards at the work place and to the environment in general. Many times, these businesses are paid extra for following these standards.

This kind of business is important to help producers that may be at a social or economic disadvantage. Fair trade includes trade between companies, even across countries. It makes it fairer to those involved, too, especially the workers.

Even though fair trade can be between countries, don't confuse it with international trade. Remember that another way of labeling the international trade approach to business is industrial trade. This trading is more about helping the big man at the top no matter the cost to the workers. Fair trade protects workers from this kind of treatment. This happens so that the people on top don't get more than their fair share, and the people on the bottom get the benefits they work for.

Are you still having trouble remembering the difference?

Think of it this way – Do you have little brothers, sisters or cousins? Have you ever taken something that was theirs or do something they couldn't? Did they yell out, "That's not fair!"?

Think of that little kid as all the workers in a local business in a [developing country](#). You –the big kid—are the big corporations or the people on top. With international or industrial trade, you would ignore the little kid and take everything for yourself.

With fair trade, you would have to give your younger sibling or cousin what they worked for. You would have to watch out for their safety and let them get together with a bunch of other little kids to gang up on you if you starting being unfair again.

Make more sense now?

Maybe you have these two approaches to business down by now, but what about all the other terms you have to know? A lot of kids who already took the AP Human Geography test said they were required to know specific vocab. In fact, they said if you [study your vocab](#), that might be all you need to do to pass the exam. Most of the test is just knowing all those key words and concepts like fair trade. Do you want to know what words you should study? Looking for a list?